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Attached is some history related to your question about the French and Revolutionary Americans.

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Approved For Release 2004/07/08: CIA-RDP80M00165A002600110045-6 FRENCH ENVOYS DURING THE AMERICAN REVOLUTION

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The French Embassy to the United States became a major institution of the American Revolution with the arrival in Philadelphia of Conrad Gerard, the French Minister Plenipotentiary, on July 12, 1778. Gerard, an experienced diplomat, was an excellent choice for the post. He had served as interpreter in secret discussions between French Foreign Minister Vergennes and American representatives in France. He had served as "cut-out" between the Americans and the French Ministry and his home had been used for secret meetings with the Americans. One of his first acts upon arrival was to persuade a few members of the Continental Congress to avoid all contact with unofficial British "peace" emissaries. To influence Congressional decisions, Gerard hired a number of Americans to write articles supporting his proposals for the American press. In Congress he helped organize a coalition which enacted compromise peace instructions. In effect, Gerard became a leader of the Congress and was able to induce its majority to take actions France believed necessary for the prosecution of the war.

When ill health forced Gerard's return to France, he was replaced by a much more aggressive envoy, Ann-Cesar, Chevalier de la Luzerne.

Luzerne became a center in the conduct of the conflict, providing the funds and supplies to keep the war going. He established close relations with many prominent Americans, including Robert Livingston whom the Ambassador aided in obtaining the office of Secretary of Foreign Affairs. Haym Salomon, the influential banker who subsidized a number of members of the Continental Congress - reportedly from his own funds-was named by Luzerne as the banker for the French Government. Salomon, who had engaged in intelligence collection and had been "charged by Ceneral Washington to execute an enterprise as hazardous to the safety of his person and life as it was most important to the interests of the Revolutionary Army"--sabotage of the British fleet and King's Stores--was soon "appointed by Monsieur Roquebrune, treasurer of the forces of France in America, to the office of their paymaster-general."

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Salomon is indicated to have advanced money, both gifts and loans, to Robert Morris and James Wilson of the Continental Congress, to Generals Miflin, St. Clair, Steuben, and a number of lesser officers. The Virginia delegation to the Congress-Lee, Bland, Jones, Mercer, Randolph and Madison-reportedly received "liberal supplies of timely and pecuniary aid" from Salomon. James Madison, in a letter of August 27, 1782 noted that "...I have for some time been a pensioner on the favor of Haym Salomon...", and later in the year noted that funds from Salomon "preserve me from extremities."

Luzappeved Release 2004/89/08 PMA-REPROMO 5A602060110045-6 obtained a sizeable majority for his programs in Congress, and worked so closely with Congress on some matters that he reputedly "took charge of many executive functions." In 1781, he managed to hold up a six million livre loan from France until he was satisfied with the way it was to be spent and Congress agreed to designate Luzerne's friend, Robert Morris, to supervise its disbursement.

Herhadma good deal of influence with the American press. As one scholar has noted, "Ia Luzerne inherited this close relationship with the press from his predecessor, and greatly strengthened it by carefully supervising his writers and spending large sums of money to obtain the services of such men as Rev. Samuel Cooper, of Boston, Rev. Hugh Brackenridge, of Philadelphia, and Tom Paine. In addition, many Congressmen cleared editorial copy with him before publication and even wrote articles at his suggestion. An American historian has recently concluded that, for mo most Americans, the main source of news about foreign affiars was the Patriot press. After 1779 it usually printed what the French Ambassador wanted them to read."

Luzerne even intervened in state politics. To secure ratification of the Articles of Confederation he turned to Maryland. The Articles had by 1781 been ratified by all the states but Maryland, which rejected them by one vote. Luzerne persuaded Daniel Jenifer, an opponent to ratification, to absent himself from the next vote and the Articles ware accepted by the Maryland Assembly by a majority of one. (Luzerne secured Jenifer's cooperation by promising him, in strict confidence, that the French fleet would be sent to the Chesapeake and that the French Government would lend Maryland money to purchase arms.)

A publication distributed by the Embassy of France during the Bicentennial Year acknowledges that Luzerne had access to even the <u>secret</u> proceedings of the Continental Congress.² The pamphlet notes: "...La Luzerne paid John Sullivan of New Hampshire 5000 livres a year to report the results of secret debates in Congress." 3

²IDZERDA, Stanley J. and Roger E. Smith, <u>France and the American War for Independence</u>. n.p., Scott Limited Editions Inc., n.d. (1976?)

John Sullivan of New Hampshire was a delegate to the Continental Congress in 1774, 1775, and 1780-81, the latter apparently his period of service to Luzerne. He was appointed a Brigadier General in 1775 and served in the seige of Boston. In 1776 he was commissioned a Major General with command on Long Island. He was at Valley Forge 1777-78, and routed a combined British and Indian force at Elmira, N.Y., in 1779. He resigned his commission in 1779, and served in the Congress 1780-81. He was a member of the New Approved For Release 2004/07/08: CIA-RDP80M00165A002600110045-6

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3 (continued) Hampshire Constitutional Convention in 1782. He was Attorney General of New Hampshire 1782-86, and Governor of New Hampshire 1786, 1787 and 1789. He was Speaker of the New Hampshire Assembly in 1785 and 1788, and was chairman of the New Hampshire Convention which ratified the U.S. Constitution in 1788. He served as U.S. District Judge for New Hampshire from 1789 until his dealth in 1795.

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FRENCH AND SPANISH AID DURING THE AMERICAN REVOLUTION Approved Release 2004/07/08: CIA-RDP80M0 65A002600110045-6

French secret financial aid to the patriot cause, the outgrowth of conversations between the Caron de Beaumarchais--representing France--and Arthur Lee, the London-based secret agent of the Committee of Secret Correspondence, was initiated in June 1776 with a Royal grant of one million livres which enabled Beaumarchais to establish the cover firm "Roderigue Hortalez et Cie" as a vehicle for secret assistance to the Americans. Two months later, at the prodding of French Foreign Minister Vergennes, the Spanish Court contributed an additional one million livres to the venture. By October 1776, Beaumarchais was able to report that he had used the two million livres capital to finance 5,600,000 livres worth of military aid. The French Ministry aided the venture by declaring much of its existing military arsenal obsolete and surplus, assuring its availability for shipment to America.

Beaumarchais report on expenditure of the 5,600,000 livres indicated that he had employed eight ships to ship 300 "thousands" of gunpowder, 30,000 muskets, 3,000 tents, 200 cannon with full train (with the Royal Coat-of-Arms ground off), 27 mortars, 100,000 musket balls, 13,000 bombs and clothing for 30,000 men. A small portion of the budget was expended in equipping thirty officers who had gone to assist the Americans and their expenses for three months. By the end of 1777 the French cover venture reportedly shipped two and a quarter million pounds of gunpowder--ninety percent of the total obtained by the Americans from all sources

While the secret French and Spanish aid continued, France also agreed to provide the patriots with secret funding--a grant--of two million livres, the first quarterly installment of half a million paid on January 17, 1777.

With the signing of the Treaty of Amity and Commerce and the Treaty of Alliance on February 6, 1778, the French were committed to the defense of American independence. It implemented the treaties with continuing financial and military assistance—now overtly—and military forces.² Between 1776 and 1783, France provided the United States with more than forty million livres in financial aid, about a quarter of it in outright gifts. In addition, it committed 63 ships, with officers and crews numbering 22,000, and 12,000 soldiers. The French suffered 2,112 fatalities in the conflict. One scholar places the sums expended by France on the American Revolution to be

The French gold livre was, at the time, equivalent in value to the English pound sterling, i.e. the value of a pound of sterling silver. The American dollar was worth five gold livres or five pounds sterling.

2A French proved Formelesse 2004/07/08 CLA-RDP80M00165A002600110045-6 French land and naval forces in the conflict.

Approved Release 2004/07/08: CIA-RDP80M0 65A002600110045-6 the equivalent of two and one half billion dollars in the 1970s. 3

Even before its contribution to the operation of the cover firm, Hortalez et Cie, Spain had granted secret assistance to the patriot cause. During the summer of 1776, Luis de Unzaga y Amezaga, the governor of New Spain at New Orleans, "privately delivered" some twelve thousand pounds of gunpowder "out of the King's stores" to two agents of the Virginia Council of Defense. A portion of the gunpowder, moved up the Mississippi under the protection of the Spanish flag, made it possible to thwart British plans to capture Forts Pitt and Wheeling.

When Bernardo de Galvez succeeded Unzaga y Amezaga as governor, the aid continued. From Galvez the patriots received gunpowder and supplies for the George Rogers Clark expedition, and from Galvez' "very secret service fund" came the funds used by Colonel Clark for the capture of Kaskaskia and Vincennes. Cuba was also a focal point in secret deliveries of war supplies and material to the Americans. When Spain formally entered the war on the American side on June 21, 1779, Galvez and Spanish troops captured Baton Rouge, Natchez, Mobile and Pensacola.

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During the five year period between 1776 and 1781 France borrowed six million livres from Swiss bankers, chiefly to finance its war effort and aid to the United States. The cost of the conflict has been estimated by one author to have been two and a half times greater than its national budget.